SPEECH DELIVERED BY

Mr. G. D. NAIDU,

PRESIDENT,
The Industrial Labour Welfare Association Limited,
Coimbatore

and

REPLY BY

Shri B. GOPALA REDDY,

Minister for Revenue and Civil Expenditure,
GOVERNMENT OF INDIA

at

"GOPAL BAGH",
Avanashi Road, Coimbatore

on

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The Industrial Labour Welfare Association Ltd., COIMBATORE.

Sri G. D. Naidu, President, Industrial Labour Welfare Association Limited, arranged a tea party in honour of Shri B. Gopala Reddy, Minister for Revenue and Civil Expenditure, Government of India on 30—5—60 at 5-15 p. m. in Gopal Bagh, Coimbatore.

The elite of the town including most of the officers attended the function.

In the course of his speech, Sri G. D. Naidu welcomed the guests and spoke at length about his transport business and other industries started by him. He emphasized the need for reducing the period of technical studies in Automobile, and Radio Engineering Courses and pointed out that a number of youngsters have been trained in the Short Term Vacational Courses conducted by him here. He also suggested ways and means for the industrial development of our country.

He concluded with a request to the Minister and the authorities to make necessary improvements in the Incometax and Customs departments with a view to increase the revenue as well as to develop industries, by putting an end to the unnecessary embarrassment to the industrialists and public.

Shri Gopala Reddy Minister in his reply paid high tributes to the zeal and enthusiasm of Sri Naidu in having strived hard through thrilling circumstances to develop the industries of our country.

He said that it would be worthwhile and useful to write the biography of Mr. Naidu, so that others may take a good lesson and follow his examples.

The Minister expressed that Sri G. D. Naidu ought to have estabilished the various industries in which he had conducted elaborate scientific experiments continuously for a long period and expressed the hope that Sri Naidu would start various industries for the advancement of our country to come on a par with the other nations.

Shri V. C. Palaniswami Gounder, Vellakinar, Coimbatore proposed a vote of thanks and said that Sri G. D. Naidu has been simple plain and blunt throughout and that he would call a spade a spade. He added that Naidu was not for making money; but his outlook in life was to impart technical education in a short period with minimum cost for the youngsters.

Speech of

Shri G. D. NAIDU.

Dear friends,

Our chief guest Mr. Gopala Reddy, Minister for Revenue and Civil Expenditure in the Central Government is well known to us all and there is nobody here who does not know him. Perhaps in his very young age, only the public of Andhra State knew him. Then some years back whole of the Madras State knew him. Now the whole India knows him, not only personally, but also about his various activities; but I think many of you, why everyone of you does not know what connection there was between Mr. Reddy and me during these long years.

I hesitate to mention here all matters, because everyone of you may think that I am tom-toming and boasting myself with a selfish motive. But even though you think like this, I have to tell everything clearly to show in order his nobility, his honest and faithful work for the country and the congress and his clear, fair and magnanimous mind in all matters dealt with by him.

My intention was not to give any speech here, because I was telling that these kind of parties are to invite some prominent people for some functions and the hosts praising the guests and the guests praising the hosts mutually and serving no other purpose.

When I say like this it is not right on my part to do the same thing, but here Mr. Reddy has made me speak in this gathering by some sort of compulsion. You may desire to know what that compulsion is.

Ten days back in this place at a luncheon party, some questions were asked by some friends and some friends asked me to answer or to speak on that occasion. I refused. Then they asked Mr. Reddy thinking that he will give some sane advice to the people about the finance and other matters connected with his portfolio and the public. But he mentioned about some incidents between himself and me.

Of course that is some what a praise showered on me, but there were some pungent remarks also about my activities for which naturally I have to agree, but I am compelled to reply, for the matters, which happened 10 or 15 years back.

For the last few years, he did not stay here for a longer time to go through my activities. Apparently he mentioned what he had heard.

Then many friends asked me to speak about these matters in reply to Mr. Reddy's remarks. I refused, but I asked Mrs. Reddy and some other friends, who visited all the works that morning, which would be a suitable reply. But they hesitated. Then I told them that I would disclose all the matters without any reservation, so that Mr. Reddy and all other friends may know the real facts, with a view to remove the misconception or misunderstanding.

In my life time I had many ups and downs, hurting the body and the mind. In this connection I had contact with many good friends and some of them had since passed away.

I want to remember all of them on this occasion, as I cannot pay anything else in return for their contact with me in some form or other in my life time, in building my affairs to a certain extent.

Of course for some reasons I am not mentioning the names of friends, who are holding offices.

In this place, in this short time it is impossible to mention all the incidents. Of course most of them are very interesting. On some occasions, I have mentioned some incidents. A few of them were printed and they are kept here. Some of the speeches were very pungent. Though they were printed for the purpose of information, they were not distributed, because they would be misused by some political parties to serve their own purpose; but any of our friends who are interested to know, can go through the pamphlets which are available here on this table.

In my long years of experience, if I have got any wholesome regard and great respect, confidence and obedience, it is only for a few people viz. in this town:

Sri C. S. Ratnasabapathi Mudaliar
Sir R. K. Shanmukham Chettiar
Mr. T. A. Ramalingam Chettiar
Mr. V. C. Vellingiri Gounder
Sangarandampalayam Pattagar
Palayakottai Pattagar
Zamindar of Uttukuli
Mr. Somasundaram Chettiar
Mr. A. G. Guruswami Naidu

Mr. S. V. V. Naidu
Mr. C. P. Hariachar
Mr. G. Kuppuswami Naidu
Mr. P. K. P. Naidu
Mr. Hurtis
Dr. B. P. B. Naidu and many other friends. Unfortunately they are no more.

Among those who are living in this town,

Mr. C. S. Sambamurthi Iyer
Mr. Appavoo Chettiar
Mr. J. S. Kannappar
Mr. D. T. Pragasam
Mr. V. Ayyaswami Naidu
Mr. T. K. Krishnaswami Chettiar
Mr. L. R. G. Naidu
Mr. S. Ramiah Pillai
Mr. D. Balasundaram
Mr. Krishnaswami Naidu
Mr. Bheemiah Chettiar
Mr. V. Palaniswami Naidu
Mr. L. J. Dee
Mr. Santhappa Pillai

and others from whom I learnt and acquired some valuable knowledge, which are important for everyone.

Then outside this town and district, there are many friends like:

Dr. S. Guruswami Mudaliar
Sir A. Ramaswami Mudaliar
Sir A. Lakshmanaswami Mudaliar
Sir P. T. Rajan
Sir C. P. Ramaswami Iyer
Sri A. K. Rajah Iyer
Dr. Balakrishna Pillai
Dr. Pandalai
Dr. Viswanatha Menon
Rajah Sir Muthiah Chettiar
Sri T. M. Narayanaswami Pillai
Sri V. V. Giri
Sri Ramakrishna, I. C. S.
Dr. P. Varadarajulu Naidu
Sri R. V. Swaminathan
Periyar E. V. Ramaswami
Dr. P. Subbaroyan
Mr. Justice Basheer Ahmed Syed
Sri Khaleeli
Sri N. M. Adyantayya

Sri K. Madhava Menon
Sri Perumalswami Reddiar
Sri H. Seetharama Reddy
Sir C. R. Reddi
Mrs. Clubwala
Sri V. N. Rajan
Sri R. Rao Naidu
Dr. Dey
Dr. J. J. Rudra
Dr. R. M. Alagappa Chettiar
Prof. Viswanath
Rajah Annamalai Chettiar
Dr. Krishnamurthi
Dr. U. Krishna Rao
Sri T. T. Krishnamachari
Sri Subbaroya Iyer
Sri Rajam
Sri Narayana Iyer
Sri V. V. Srinivasa Iyengar
Sri J. L. P. Roche Victoria
Sri Sivashanmugam Pillai
Sri Dorai Rajan
Sri Raghavachari

The Zamindar of Negamam
Sri Senapathi
Mr. Vijayaraghavan
Mr. B. Muniswami Naidu
Rajah of Panagal
Sri Muthiah Mudaliar
Sri Seshasayi
Sri Rajam
Sri P. S. Kumaraswami Raja
Sri Omandur P. Ramaswami Reddiar
Rajah of Bobli
Sri K. Kamaraj Nadar
Sri C. Rajagopalachariar
Sri Palaniappan
Sir C. V. Raman
Sir M. Visvesvaraya
Mr. T. Siddalingiah
Our Prime Minister Nehru
Shri Sri Prakasa
Minister Mahavir Tyagi
Sir Varadachariar
Dr. V. K. John
Sir Lala Shri Ram
Sri B. Gopala Reddi

and several other friends whose names I can't remember now.

Then in other countries :

Sir Charles Cunningham, London

Mr. Freeman of London

Mr. F. Beer of W. J. Groom and Co., Ltd., London

Mr. Rogerson of E. K. Cole Ltd., London

Mr. Adshead of London

Mr. Armelin of London

Mr. R. Schmidtmann of Stuttgart, Germany

Mr. G. Stoll of Festo Maschinenfabrik, W. Germany

Mr. Kurt Stoll of Festo, W. Germany

Dr. Streamfold and Mr. Sin of Rumag, W. Germany

Mrs. and Mr. Kuhns of Hanover, Germany

Dr. Mauz of Esslingen, W. Germany

Dr. Smoll of Stuttgart, Germany

Dr. Penzel, Munich, Germany

Mr. Richard Weis, Germany

Mr. Smeltz, Germany

Mr. Gomart, Germany

Mr. Pazze, Germany

Mr. Buscho, Germany

Mrs. and Mr. Fred Maier of Festo, U. S. A.

Mr. Sam Rose of Victor Animatograph Corporation, U. S. A.

Mr. Victor of Victor Animatograph Corporation, U. S. A.

Mr. Steinmitz of Deepsea Export & Import Co., U. S. A.

Mr. H. S. Smith of St. Louis

Dr. Arunburg, St. Louis

Mr. C. Lamb, St. Louis

Miss Ida Kauffman, St. Louis

Mrs. Thompson, St. Louis

Mrs. B. T. Brady, St. Louis

Miss Young, St. Louis

Mr. Heniz, Mr. Brunner, Dr. Kolbe of Austria

Mr. Fred Sutter, Lausane, Switzerland

Mr. Ch. Senglet, Geneva, Switzerland

Mr. Renaud, Geneva, Switzerland

Mr. F. Perkins, of F. Perkins Ltd., Peterborough

Mr. Collins, Peterborough

Mr. Hancock, Peterborough

Mr. Pritchard, Peterborough

Mr. Taverner, Peterborough

and several other friends whom I am not able to mention in this hurry.

Now I have this opportunity to tell something of the incidents, amongst many with all the friends mentioned here, which had happened between me and Shri V. V. Giri, Shri Gopala Reddi and Dr. Subbarayan. All of them I have not disclosed at any one time at one place. Though my intention is to give only answers for the remarks, lastly I want to give one or two incidents with a little elaboration with Mr. Reddy's permission, so that both sides can understand what are wrong and what are the right ways to follow. Of course, I want Mr. Reddy's advice for me as well as all of us.

I give here the remarks made by Mr. Reddy at the lunch given to him 10 days back in this place:

> "I have known Naidu Garu for the past 20 years and more. I used to stay with him here whenever I visited this place. Last year in January when I visited Coimbatore, Mr. Naidu was not here. He was away in Germany. I am glad I am staying here with him now.
>
> He was emphasizing on the importance of heavy industries and large scale industries even 20 years back. Now we find the need for heavy industries and large scale industries. Pundit Nehru is also referring to the need for

heavy industries for the advancement of our country.

When compared with other countries, our country is backward in various directions, with regard to higher scientific technology. They are speaking in terms of sending rockets. So in the next 10 or 15 years we will also be on the scientific map of the world.

Well, Mr. Naidu never went into any college or any Polytechnic. He is simple, he has been thinking and he has worked for himself. He is a self made man. He has travelled abroad many times. He has met Hitler in his own dhoties. He has really acquired a good deal of knowledge with regard to various matters.

But, my only grievance is that he is making a lot of experiments. Instead of doing experiments, he must have a good industry. Of course, he has trained a good number of technical people especially in the automobile engineering etc. But that is not enough. He must produce more on a large scale, on a big commercial scale and train up a large number of people. Then he could have earned the gratitude of all the people here.

But some how he is an inventive genius. He is always thinking and speak-

ing in terms of experiments. Why not I do this? Why not I do that? Why not I train up people? He is not yet stabilized. He is now nearing 70 or so, and at 70, I hope he will stabilize himself and try to do something big for South India.

South India is really backward as far as industry is concerned. Except for the few textile mills, there is not much of industry, specially engineering industry. Excepting something in Coimbatore, in South India there is not much of engineering industry. But I suppose, there is scope for large scale engineering industry and our Naidu Garu is really the best fitted man for a thing like that and I hope he will be able to do something substantial, tangible for leaving a big institution behind him.

Of course Mr. Naidu is always very critical of the Government either of their industrial policy, or their taxation. He is always up against, sometimes the Income Tax people, sometimes the customs people, sometimes, not much I think, with the Central Excise people and more specially with regard to the industrial blockade that has been created by the agency of the Government – Central Government and the Provincial Govt. So many licences have to be obtained and in between so much of good time is wasted and nothing moves.

That is his general complaint. Any way it is rather a pleasure to hear him, even though he is criticizing the Government.

I used to be in charge of Transport and we had him in our advisory council also and many of his suggestions had to be scrutinized very carefully by the Government and we had accepted many of them and he is really one of our top people as far as the industry is concerned. His name is known all over India especially in the bigger industrial circle. G. D. Naidu's name they have heard, though they have not seen him. But they have heard him and sometimes hearing very fantastic stories about him also and all that; he is a legendery person and very interesting sometimes, very embarrassing sometimes, (laughter) and all that. Any how whether we like his politics or not we always had a very cordial relation and I am glad I am again staying with him and participating in a great feast he has laid out for us and that has enabled me to meet many of the local officers here. I am thankful to Naidu Garu for the uniform courtesy which he has been showing to me for the last 20 years or even more and I hope as I said in the beginning, he will have a good first class institution – engineering institution in Coimbatore, where he will not only train

up young candidates, but also put it up on a large industrial, commercial scale. He has reserved something, the speech of his for a future occasion.

But before he speaks let me have the first say in the matter. I wish him Godspeed in all his work, in his endeavours and efforts and he is really a pioneer as far as the industrial thinking is concerned.

He showed me some thousands of books in 1937–38, and said "All these books are to be burnt, all these books are useless books, they don't teach us anything, they only make us clerks and things like that. All these books, I am going to set fire to one of these days. I want to invite some Madras Minister so that he can set fire to all these books." And I think he had a building there. I don't know whether it is there now. Again there is destruction before construction. "I want to destroy the whole thing before I want to build up something", he said. Yes, this is the building.

Once again on behalf of everybody concerned the local officers, the State and the Central and on behalf of the non-officials also, I thank Naidu Garu for all his hospitality and courtesy shown to all of us.

Thank you."

In the first instance, he mentioned that he met me before 20 years. I will say how I met him. In 1920, I started my business career with one bus driving it myself and gradually increased to 280 buses. On 23rd September, 1936, I gave a suggestion to the President, District Board of this District to run the bus service by the Board. I did not receive any reply. Again I gave a scheme to the Presidents of District Boards of Erode and Coimbatore on 9th March, 1937 offering whole of my bus service to them to run, with a condition that after meeting all the expenses the net income to be spent for industrial education or for similar purpose. Just before this offer, to make this a public limited company as advised by the General Motors, whole assets were then valued at Rs. 17,96,000/-. For giving these assets to the District Board, I did not ask for any payment to me. For this also, I did not get any reply. Then on 19th May, 1937 I received a reply from the President Mr. V. C. Vellingiri Gounder as reply for my letter of 11th May, 1937 which I give below:

"Management of U. M. S. Bus Service by the District Board. While acknowledging with thanks the receipt of your petition, I have to state that no decision has been arrived at in regard

to the proposal of taking over the Management of your company by the District Board."

On 30th January, 1938 in reply to my letter dated 3—3—1937, I received from the President as follows:

"In continuation of this office letter R. O. C. No. 1303/36 dated 31—5—1937, I have to state that the District Board consider it undesirable and too speculative to undertake the running of buses through out the District Board area."

After receiving this letter of 30th January, I gave an offer on 30th July, 1938 to the Chairmen, Municipal Councils of Coimbatore, Pollachi, Udumalpet, Tiruppur, Erode, Palladam, Dharapuram and Palghat, that is wherever U. M. S. Buses were running in the Municipal areas. (Copy also sent to the Secretary, Government of Madras). The same bus services were offered to District Board with four alternative suggestions to accept which ever suggestion was suitable to the municipalities with a condition as follows:

"That the income derived and received by the Municipalities should be utilized only for industrial education

in the respective town, or taluk or in the district according to the decision of the Committee. The Committee will consist of, if there is no objection for the Government, the Director of Industries, who will be the Chairman in that case, and the Director of Education, the Chairman of the Municipality, one representative of the Trust, and the Founder or his representative. The presiding officer will have a casting vote".

I mentioned that the shares will be given to each Municipality as well as Panchayat Boards on the route where the buses were running. Such Municipalities and Panchayat Boards will award the amounts of profits for industrial education as mentioned above. At that time our friend Mr. B. Gopala Reddy was Minister for Local Boards. I invited him for a dinner and at the same time I sent invitations to all the Chairmen and Executive Officers and Commissioners of the above Municipalities in order to explain this to all the Chairmen and Minister so as to get the consent of the Member for acceptance of the offer by the Municipalities.

After the Minister, Chairmen and Commissioners, went through the scheme,

Minister Gopala Reddy advised all of them to accept one of the suggestions, that is, where no capital is involved there is no responsibility of any kind, but only to get the profit. For this I received a reply from Dharapuram Municipality alone.

The following was the resolution on 24—9—1938:

> "Commissioner's note was read – Resolved that suggestion No. 4 may be approved if the Government approves of it".

Unfortunately no approval came from Government on account of the war.

Now, you will be wondering what reply I received from other Municipalities. I give a few replies here:

> "Coimbatore – (page No. 28) Resolution No. 508 dated 7—10—1938.
>
> "In view of the fact that the public utility concerns including public transport should, in the opinion of the Council, be owned and controlled by the Government or Local Bodies, this Council is not in favour of any scheme which vests such concerns in private individuals, corporations or trusts and as such the Council regrets that it cannot accede to the proposals of Sri G. D. Naidu."

Sri J. A. Muthuswami Naidu, Dr. T. V. Pathy and Sri G. D. Naidu opposed the resolution.

The proposition was put to vote and carried by majority with the following results:

15 voting FOR and 5 AGAINST.

Here I have offered everything free, without any payment, as free gift, but the council, particularly the finance committee twisted the resolution, not to approve. I was also a member in the Municipal Council then. At the same time, I offered a library containing 25 thousand volumes and also funds for construction of building for library and a swimming pool for the town. These were also not accepted. In addition to this, many of them made false propaganda that I was printing currency notes and for that I was arrested and put in remand.

One other incident, at a cross road of Avanashi Road and Puliakulam there was a water tap where, several womenfolk were taking water, particularly crowded between 5 and 7 P. M. At the same time, the mill workers would leave the mills and create troubles to young ladies. I suggested that this tap may be removed to a distant place, from the factory premises, for which I

offered even to bear the expenses. This too was not accepted. Not only this, the licences for running some machines in the workshop at U. M. S. Garage in the same road and also a licence to conduct an Industrial Educational Exhibition, were refused. After all these incidents, I did not feel happy to serve the Municipality. Hence I resigned. Of course now this Municipality has got a fine building with books costing lakhs and lakhs of rupees for which I have given a donation of Rs. 250/- while they refused to accept my offer of a library and donation for buildings.

Erode Municipality: Letter dated 26th September, 1938 – "Your proposal was placed before the council and it has decided not to consider your proposal."

I asked in my letter of 4th October, 1938 the reason for the decision. Reply received that the council has not given any reasons.

Tiruppur Municipality:

Letter dated 19th November, 1938.

"I have the honour to inform you that the Council has in its M. C. R. No. 566 of 14—11—1938 declined to accept your proposal."

Then after all these trials, a trust was formed and I handed over the whole of this offer to be utilized for the Industrial Education – in this trust, amongst 18 members only one Naidu was taken as member so as to avoid any internal fight or misunderstandings. But unfortunately the trust was broken into pieces by the incometax department, by the influence of some interested bus owners.

Then the Incometax Department made these properties my own for which I have to thank them now.

In 1937 itself many schemes were prepared for starting various industries, majority of them were started at that time itself. This list can be seen in a book printed in 1937 pages 55, 56, 57, 58, 59 and 60.

When Mr. Reddy was the Minister for Transport at Madras, he took much interest to improve the transport and there is not much time here to mention all the activities, what he had done at that time.

The clocks manufactured just before the war can be seen now one behind this hall and another small one in front of the main hall.

In 1936 itself at the Liepzig exhibition I received a first prize, a Bronze Horse, a third prize – A Hitler bronze figure for the best quality of Razor Blades manufactured here. The machines also were made here. A part of the machine made at that time that escaped from the incometax attachment can be seen still in the eastern side of the place where we are sitting.

What I want to mention here is this. Mr. Gopal Reddy and other ministers who are coming here or to other places have no time to go through all these matters minutely. I always hesitate to advertise anything. Then some people make propaganda with rumours against me which reach the sky. Hence I am not misunderstanding the remarks made by the guest the other day.

Mr. Reddy mentioned that I emphasized the importance of heavy industries 20 years back. Atleast now, the Government agree with my view and are taking every efforts to start big industries.

Recently I saw Bakra Nangal which is one of the biggest achievements in the Congress regime, which every one of us have to be proud of. Not only this one work but also there are other huge industries developed by our Government, such

as huge iron and steel industries, big fertilizers and very big dams, many machine tool industries, chemical industries etc. Of course opposition parties may tell with much exaggeration some of the defects such as over expenditure, corruption, negligence or some such things. But these criticizing people do not realize that these industries are the main back bone and foundation for any country. Unfortunately instead of appreciating and thanking the Congress Government, they criticize. No doubt there are some losses. It can also be avoided. Unfortunately the Government is run on the Democratic form. In such form, all these industries are biggest achievements.

I am also criticizing many policies of Government in some small affairs. But I am not criticizing with any motives. I am only exposing the wrong, defects or misdoings without any fear while others are adjusting themselves to the circumstances. When I say these things I am also thrown out in to the group of criticizing people. Really I have not joined any of the political parties. If at all I have any leanings I have got more towards two parties which are (1) Congress (2) Dravida Kazhagam. While, in every industry, in every institute whether public or private there are political

parties. I had at my peak period 2870 workers. Even here there are more than 1000 people working. I wish to say, there is not even a single person who has joined any political party. For example in India, we cannot see any industry without a strike in its life time. My business career is in the 40th year. There has been never any strike or any dissatisfaction and no politics is allowed to enter into the workers group.

Even people who live in this town for a long time do not know about this. Mr. Reddy mentioned that we will be in the next 10 or 15 years on the scientific map of the world. In my opinion, if it is properly organized, before 5 years we will be at the top of scientific work, above many countries but of course below a few countries. But on account of the high pressure to thrust Hindi language and interfering with English and regional language by the Centre and on account of taking all the Control of scientific and technical institutions by the Centre and in the same way taking the powers of purchasing and selling from brinjals to aeroplanes, while keeping the eminent theorist on the top to dictate the country, we can't come into the scientific map for another 50 or 100 years.

After 20 years of training experience I devised some methods to give training in the shortest time at the lowest cost. This was demonstrated and proved in this Hall by conducting automobile and radio courses regularly for the last 12 years. Though several educational authorities and eminent people had seen it, none has copied or analysed it so far while I am claiming that I can teach automobile and radio service engineering courses with more efficiency in 6 weeks' time than the training given in Government institution in 3 to 5 years.

Up to now nearly 1500 students have gone out. Half of them are studying or under training. Among the other half, majority of them are running their own mechanical workshops or are in good position in other places. Less than 50 have no employment. All these records are kept here. So far army Commander and E. V. Ramaswami Periyar have appreciated these courses. They have taken action to carry out these schemes. The previous commander asked me to organize in the Army institution which I did not accept on account of prejudice created by the Income Tax department. But I have given the whole equipment to General Cariappa to start these courses through the Ministry of Defence.

E. V. R. Periyar also has given 3 lakhs to start this course in Madras for which I agreed to organize every thing for the course under my management for 3 years. This may be started in 1961 itself or at the latest in 1962.

For starting these courses the Industrial Labour Welfare Association was started, for which Sangarandampalayam Pattagar and I gave substantial funds and the staff who are working here gain good amounts now and then.

Every year at the time of the course and at the time of the exhibition substantial amounts were got in the Hundi box. Through-out the year hundreds of people are visiting this hall and the President Hall where domestic science equipment are kept. Some also subscribe in the Hundi box.

This association has made research in Siddha system of medicines with the help of today late Dr. B. P. B. Naidu, M.D. (Edin.) M.Hy., D.P.H., D.T.M. (L. pool) who was the No. 1 expert Pathologist in his life time and successfully brought out 4 medicines for Diabetes, Leucorrhoea, Piles and Asthma. Of course Asthma trial is not yet completed. He also demonstrated the Bacteriology course in reduced period. All

his lectures on Bacteriology are printed in book form. Two years back there was an offer for 4 lakhs of rupees if he compiled them for use in other countries.

Unfortunately he refused and he had no time. He was not an ordinary Doctor. He had worked 25 years in England in the Medical line, and 25 years in India. He has made researches in Indigenous herbs and prepared some hundreds of typed books with sample herbs for printing. It was estimated to print 100 books of each, the paper alone would cost more than 120 thousand rupees four years ago. One box of his works is kept here. He had more than 10 boxes like this.

I gave the medicine to several persons in Europe with very good success. Of course whatever medicine was made by this Association, I gave it free in Germany, Austria and other countries.

From all these places I received presents, very valuable materials worth lakhs of rupees. But to bring such materials I was penalized first time 92 thousand rupees, second time though no penalty, it has caused me a loss of 1½ lakhs by dragging on the clearance for 2 years.

On account of these troubles I avoided getting anything from them. I enjoyed the travel by their help like a Prince.

I applied to Income Tax Dept. for exemption under Section 15(c) which was refused though the State Government recommended. The Central Government did not give any reason for refusal. If the Government have given the concession for an institution as this one, instead of giving water shed, stone quarters, or such other things, the educational line would have developed.

I received offers of once 3 lakhs from one gentleman from Salem and 2 lakhs from a gentleman from Tiruchi and one mill from North Arcot for this institution to start electrical and mechanical courses in addition to the existing Automobile and Radio courses. I refused to accept it.

From 1947 upto 1957, I was not granted any import licences, nor given any foreign exchange except once, nor given any manufacturing licences. In which ever concern I have got interest, if applications were made for licences, they were refused.

At this time I have to remember the friend Mr. V. V. Giri, who took much pains when he was Minister for Industries to get all information and took it to Delhi Central Government.

Then again when he was Minister in the Central Govt. at Delhi, himself, Dr. V. K. John, Dr. Varadarajulu Naidu, Sri V. N. Rajan, Sri Ramakrishna, I. C. S., R. V. Swaminathan, Mr. Naqvi, Mr. A. K. Roy and others took this matter to the Income Tax Minister for a settlement.

Later on Sri T. A. Ramalingam Chettiar and Sri Mahavir Tyagi personally took much interest and both of them came and stayed here at the time of settlement and tried their best for the settlement.

Mr. Kanya Singh, Gopala Menon, Sir S. Varadachari, Sir Lala Sri Ram, Sri Acharya Kripalani, Justice Mack and Justice Somasundaram also tried their best for a settlement.

All these efforts were nullified at each instance.

Governor Shri Sri Prakasa, Sri T. T. Krishnamachari, Sri Sundararajan, Mr. Mukerjee and Mr. J. P. Singh took much more interest and discussed with each other and jointly got my signature for a settlement. Though I was adamant not to accept any settlement at the beginning, after signing the settlement in a weak moment I wanted to be true and do the work faithfully and carried out the conditions of the settlement to the very letter even before

the stipulated time. But on the departmental side it was dragging on from 1957, year by year, finally finalized by Mr. Gopal Reddy. Still somebody wants to enjoy by dragging on this kind of struggle year by year. Of course if it is started like that, I also will enjoy in which I am accustomed for more than a decade. But Mr. Reddy and the Chairman, Central Board of Revenue did not permit or give room for that.

Generally in the Central Government, in many departments there are good people, not so corrupt as before; but the policy and red tapism adopted by the Govt. offices are so bad and intolerable. God alone knows who will rectify them.

I mentioned in last year All India Manufacturers' Association meeting on 12—3—59 at Bombay that if the 2nd Five Year Plan goes on at this rate and the 3rd Five Year Plan also comes, there will be inflation, unemployment and other troubles, which may lead to Civil War or Army Rule.

Hence I asked to pass a resolution to remove the Planning Department itself. Though all the members agreed with my views, as that this resolution was not brought to the notice of the committee earlier in time this was not passed.

Mr. Reddy said the other day that I never went to any college or polytechnic. It is true. I never stepped into any school or college for studying, but I have gone to colleges to address the students. I have attended factory schools for the first time at the age of 47 and more than 20 schools in one year of my stay in U. S. A. And in my 62nd year in Perkins school in England, similar practical schools in Germany and Austria. I have diplomas and certificates also.

At the time of the British rule and after, I was offered many titles and decorates. I refused to accept them. But I accepted three or four titles - one 15 years ago M. I. S. E. from the Society of Engineers, the second 3 or 4 years ago, two titles from American Engineering Societies. They were only given usually for graduates with some extraordinary talents.

The titles were given to me against their tradition in history, who never went to a college.

Of course a Doctor title was also given by an association and was accepted by me for some public purpose. Of course there are some temporary titles prevailing here and there, such as "Tax Dodger", "Currency Printer", 'Quarter Crack' "Hitler"etc. In the

same way the people call me in Germany as Doctor of Medicine, in England Doctor of Agriculture, in America Doctor in Machines as well as in "Medicines".

One may as well call me a Doctor in Automobile. I know something in this line, a little better than others. But I have not studied the other subjects deeply to be fit to be called as a Doctor.

I got some success accidentally in these subjects for which these titles came to me voluntarily.

Mr. Reddy mentioned that his only grievance is that I am making a lot of experiments that instead of making experiments, I must have good industry. He appreciated the training of a good number of technical people. He said that it is not enough. It is true that I made many experiments. It is natural. Without experiments one cannot decide anything or achieve anything. We must be careful about the expenses and avoid waste in experiments.

I have made one experiment for 3 years as to how our youngsters' energy is wasted. In a speech in Madurai College I mentioned about it.

Then I made an experiment for 8 months to find out the effects of the breeze coming from the northern side of the Palghat Gap in the Western Ghats for curing some ailments and giving fresh vigour to the health of persons suffering from some diseases.

I made one other experiment in Psychology in general throughout my business period, about which I have more than 5000 files. If anyone is interested he can see them in one of the rooms in this hall. In the same room there are more than 18,000 files in Engineering subjects also. I did these experiments in a very economical way. If anybody else or Government have taken this task, it would have costed several lakhs and it might have reached a crore of rupees. No doubt for all my experiences and experiments I did not get 100 percent return. It is only natural. A few are very valuable, very useful particularly for our country. I am sorry that no one takes interest in these matters. About a chair made in 1936, though it was praised by many experts, no one took any interest in it.

Some ways and means were devised for reducing the period and expenses of Automobile and Radio engineering courses and shown here for more than 15 years. But

no one took interest in them, while for 18 lectures on this subject £ 2000 were received in England in the beginning itself.

In the same way there was much appreciation for the indigenous medicines in Western Countries but not much of value in our country.

Mr. Reddy said that I should produce a large number of industries on a large scale. It is true if I have started a spinning mill industry or a big Engineering workshop or a big import export business, I could have minted millions and millions of rupees. In fact, I started the first electric motor factory with the help of Mr. D. Balasundaram and also the first Radio Factory, first Razor Blade Factory, first Automobile parts and machine tool manufacturing factory. Instead of getting support from the Government, they were crushed by the wrong policies of the Government.

I am not avaricious enough to hoard money. My aim was – after 25 years of learning, to earn for 25 years and then to spend in the third 25 years. In this period, I am spending whatever I got, either wealth or knowledge I am spending liberally for useful purpose. The wealth was spent by one cheque in 1944 itself, but I could not spend the knowledge by one signature.

I found out the best way to spend the knowledge is to produce more number of industries by giving training to more number of youngsters, than to start a few big industries myself for minting money and to hoard. With this trend of mind I spent a good lot of my earnings, knowledge and time for opening the Arthur Hope Polytechnic and the Arthur Hope College of Engineering (now styled as Government Polytechnic and Government College of Technology) here and a short term technical institute in this premises.

Many youngsters who had contact with me in my works or trained here are doing better and more work than me. You can see them here. A school final boy producing good Razor Blades and another youngster producing electric motors, another third form fellow producing Automobile parts as well as complicated and very valuable machines and machine tools. Another third form boy is producing whole requirements of Radiator for Leyland Comet for a big diesel motor chassis producing company.

And some youngsters are producing Radios costing Rs. 100 and above with many parts manufactured here.

Very good carbon papers and typewriter ribbons are produced by many

ordinary uneducated youngsters with the help. If you calmly visit these places observing various activities then you can see what is produced from ordinary raw materials by raw boys and what kind of production is achieved. The boys who have no college study, are turned into semi skilled useful workmen. From the condemned scrap or from other materials you can see first class parts and machine tools of the best standard are made by very raw youngsters. Cheapest wall clocks and street clocks are also manufactured.

In all these premises I have condemned and scrapped machines and other raw materials estimated about 4 or 5 lakhs and some materials of the association and of the trust estimated at 2 or 3 lakhs. If these materials are sold in the market, as they are, we may get the estimated value. But if they are sold in Auction by Government, it may fetch one or two lakhs of rupees. If I have facilities to use these properly and if the Government gives me a little more facilities for places, for licences and exemptions in building rules and labour laws, we can produce atleast several crores worth of machinery.

If local boards or Government want to use these materials and my knowledge,

I have no objection to hand them over for the benefit of our country in developing the industrial line. My experiences in these affairs are very disappointing.

Mr. Reddy mentioned about the books to be burnt. In this also I made one experiment, which I missed to mention before - with a curiosity to know why majority of the students are spoiled while only a minority are successful in going to colleges - but not spoiled in the school course. I made a research by staying in the Hostel, staying with the students. I took a film with a heading - "Why Indian students are spoiled as soon as they enter London and Paris" and another film "why minors and majors are visiting Courtallam falls every year or often." I have got educational films with technical subjects to show continuously for 700 hours. Amongst all these films except the health film these two films are specially interesting for parents as well as for educational authorities. My experiments with youngsters are noted in files numbering more than 80. From all these I came to a conclusion that many of the books read by the students and in addition to seeing the present day immoral exciting films are the cause for their getting spoiled.

I gave some lectures in St. Louis in 1940 on the subjects viz. disease by music, death by astrology, troubles by God and philosophy, madness by spiritualism, our novels and stories make half cracks and the duty of the elders for young boys and girls and to demolish the colleges.

When I offered the library it was rejected by the Municipality. Then I gave it as a gift to the Polytechnic, except the books which would spoil youngsters, under the heading "White ants for Indian young brains pending for selection and burning" in order to be burnt by eminent educationists if they agree with my views. There were other Tamil Books also under the headings:

இலக்கணம், இலக்கியம், நீதி நூல்கள், காலம் வீணாக்க இந்தியாவின் சுமைகள், மதம், யோகம், ஞானம், தத்துவம், சோதிடம், ஆபத்துண்டாக்கும் முழுப் பொய்கள், ஏமாற்றல் வித்தை நெம்பர்–1. etc.

To open this library first I approached Sir R. K. Shanmugham Chettiar. I told him about the function as follows. "All the technical and health books are kept in the building. The books under the above headings - Stories and Novels written even by eminent authors - which are capable of spoiling our youngsters and not at all suitable for our country are heaped near the

front door. After tea with guests, I will address the audience stating reason for burning the books, then I will pour a gallon of petrol on the heap of books. The chief guest should set fire with a match and by the heat, the library doors will automatically open and the audience will go round the library. The chief guest and other members may give their views whether they agree with my views or not. Sir Shanmugham Chettiar said, "If I set fire to books by very eminent authors, the public will call me a Mad Man. So I can't come for the function".

I received similar replies from Sir P. T. Rajan and Sir C. R. Reddy also. Then I invited Sir Ramaswami Mudaliar without telling him about the procedure. He agreed. He came here and when all arrangements were ready, just before the function, I explained the procedure. He also did not agree. The tea party was concluded without opening of the library.

After sometime one eminent Dr. Choudry from Calcutta came here. I was told his fees for attending on patients outside Calcutta was Rs. 5,000/- per day from starting to returning. Somehow or other he was staying with me for a few days. When he went round the workshop and library and

when I explained all these matters, he agreed to open the library, as he entirely agreed with my views. Still those books are kept for that function. It may take place next year or so. When I gave the library to the Arthur Hope Polytechnic, I withdrew these books.

I have mentioned many of my views about industries and industrial education and economical way of transport to Mr. Reddy during his visit with other ministers on 1—6—1947 and by a letter on 18th October, 1949 and on another occasion on June 23rd 1951. In his reply except on one point, he agreed with all my views and promised that he would do his best and he has done his best, for which I did not thank him until now. I want to thank him in this meeting in the presence of all the guests.

I think I have taken too much time to mention here a few things, a few incidents and a few of my views amongst a lot of other things in the form of a reply which I will mention on a leisurely occasion or in a book form or as an appendix for this speech – if I print.

As I mentioned in the beginning, with his permission I want to mention briefly

Incometax matters. To mention the activities of the Incometax Department which are detrimental to the industrial development as well as myself, it will take many hours. One tenth of the proceedings are in printed form – so many volumes are kept here. These are the proceedings of about 2 years. If all the proceedings of the 12 years – if printed – it is not possible to go through them even by experts in one year.

In this income tax experience, I came to know how many ways and means are in existence for evading the taxes legaly or illegaly, how many ways and means adopted in black market trade, how many ways and means followed for escaping from these offences, how many simple ways are there to check those evasions, corruption etc. Then as to how the incometax acts provide the blind powers to the department, to be used blindly or for selfish purpose. Unfortunately yet nobody has tackled these simple ways and means, but the Government is making abnormal number of ineffective acts and rules unnecessarily.

Mr. Mahavir Tyagi, the Chairman of the Direct Taxes, Administrator of Enquiry Committee prepared a questionnaire of 144 questions and sent to me for answer and requested me specially to give

answer for all questions and even waited till my return from Germany for all these answers. It is not possible to describe the answers I gave. When the Chairman, Central Board of Revenue, Mr. Krishnamurthi visited this place, I too went to meet him with a memorandum, on some other subjects. There I gave the following suggestions on the Incometax matters:

(1) To ask all the assessees to send their returns disclosing all unaccounted money or any other wealth completely giving an assurance that no penalty or other action will be taken.

(2) The officers should assess according to the returns without any question or enquiry.

(3) From that date every year the assessees should give true returns within one month and officers will assess on the return within one month. The assessees will have to remit the taxes within one month.

This, if followed, there will be no work for more than 3 months in the year. There won't be work for the department or for the assessees for 9 months. There will not be appeals or anything to drag on for years

together. Of course, the taxes should be as follows. Any tax should not exceed 50 per cent of the income. No tax for income upto Rs. 5,000/-. On the part of the assessees after their returns are accepted, if any single evasion was detected, whether it is a rupee or in lakhs, not only his wealth but also the wealth of those closely connected with him as friends, relations or connected with business, is to be confiscated, if it is proved. The officers who have no work for 9 months, may enquire, if there are any false returns, to take such drastic steps against assessees. In case if any officers bring any false cases with any other motives, severe punishment should be given to him. The Chairman replied that in the Democratic form of Government that it is impossible to bring such drastic steps. I don't think there will be any difficulty if the majority party passes such measures in the Government. If the Government adopt this kind of procedure, certainly there will be more savings and profit for the Govt.

In case of doubts, the department can be given on contract for the amount now received with a condition that there should not be unnecessary complaint from assessees or public. I say more plainly, the collection of tax is to be auctioned in the same way as toddy shops before prohibition or

as any other auction sales, in order to increase the income without any hitch any where. I don't know if our guest will agree to these points.

I want to mention some more matters. They may be personal. Though I am willing to pay any assessment immediately after receiving the order, the assessments are not finished. In my case, quoting some reasons, the matter is dragging on without assessing from 1957. I am not blaming the officers, because the present set of officers are very good and no corruption or motive is prevailing as before. But the way of procedure devised for the disposal has become so complicated and many of the officers fear to use their independent views because of the fear of higher officers who will question something or other with some imaginary or prejudiced views or by the fear of their higher authorities. So none is using his own views with independence. If this red-tapism and fear is removed from the officers, this department will be much improved and there won't be over work for for all the office staff and officers without a little leisure or rest for mind, and more so, the assessees will be benefitted by not dragging on for a long time with unnecessary questions etc. There are some officers who, instead of guiding others to

go in a smooth way, create thorny ways to go through.

I hope the minister will take note of this and do the needful in the matter.

For the last 10 or 15 years Mr. Reddy had not seen or observed leisurely what was going on here inside. Particularly within the last few years what industries have been started, were not seen by him. Therefore he has made so many remarks on my activities. From yesterday till this evening without any outside engagements he made a flying visit to all our industries in this premises, as well as in our others places. I hope he is satisfied by seeing personally all my activities and he has got reasonable replies for the remrks made by him at the time of the lunch.

Now I have to thank extremely Mr. Gopal Reddy for his patience to hear me with my long speech.

Thanks all friends.

Speech of

Shri B. Gopala Reddy,

Minister for Revenue and Civil Expenditure,
Government of India.

Mr. Palanisamy Gounder and friends,

I think for about 59 minutes, Naidu-garu read out his speech. It is carefully documented and very carefully delivered. Naidu Garu is in a reminiscent mood. He started from a single bus operation in 1920. This morning he took me to the workshop, where he started his first work, his very first workshop. So these forty years are full of thrills for him. It is a period of great adventure for Mr. Naidu. He has earned much and he has spent much. He had been recognized as a great genius, may be without much of education and these forty years again are of very great importance not only in Mr. Naidu's life, but in our own lives, in the life of our country itself. Many people made great fortunes during World War No. I and more number of people have made fortunes in World War No. II.

The other day I was talking to a good friend about a family. He is a member of the Rajya Sabha and he told me that round

about 1913 or 1914 that family had only about 3 or 4 lakhs. Now within the last say 47 years or so, they have made a huge fortune. I mean they are achieving managing commissions, amounting to crores now, and they have about 360 concerns being managed by that one family and perhaps they are employing thousands and lakhs of people and giving them full employment.

Likewise there are other families. Perhaps I do not know their origin. Sometime ago, perhaps they were also humble, but they started – the Tata family started the Tatanagar, Jamshedpur Steel Works. They are now one of the foremost industrial families in our country and we certainly owe a good deal to all these people who have had the spirit of adventure. They invested, they earned and they re-invested more and they earned more. It multiplied itself and to-day the country is in the industrial map to some extent, because of the foresight and spirit of adventure of some of these big people.

Here is an example in Mr. Naidu. I think he was perhaps a humble mechanic. Perhaps he started on a salary of Rs. 5 or 6/– coming from a village, not educated and from 1920 onwards luck favoured him.

Fortune smiled on him and to-day he is looking back on those forty years of fortune and adventure and mis-adventure, his fights with the incometax and the Customs department and all these thrills of his life. It is high time now, Mr. Naidu writes his own auto-biography. It will be very very interesting. He can jot down his own points, and some author, some scholar could put them right, deleting all the unnecessary portions, but incorporating all the relevant portions and I am sure it will sell like hot cakes in Tamilnad and elsewhere. (Cheers).

I think it will be a great thing – all the researches he has done, all the lessons he wants to impart to the youngsters and all the philosophy of auto machanics, the mechanism, the machine, the philosophy of machine as it were – all that could be incorporated and his contact with various people inside the country and outside, some of these things, if incorporated into a 300 pages or 400 pages volume, it will be a very interesting thing indeed.

I think some scholar might sit with him and if he can't write h i m s e l f, atleast somebody else must be able to collect all these anecdotes and write his biography and any way Mr. Naidu is now looking back. When a man looks back, he is

almost on the verge of senility. When a man looks forward, when he looks into the future, then I think, his spirit is very young. Naidugaru is now resting on his words. But ofcourse he had his own schemes. He is now free from all the Income tax troubles, all those customs troubles. Only two or three years assessments have to be made and they will be finalized soon, I am sure. The Income tax people will see that his accounts are finalized. He won't have any agonies from the Central Board of Revenue hereafter and he has also turned a new leaf in his life according to him and I do believe it - I heve no reason to disbelieve it - because he is a very straight - forward man, a frank man, he will call a spade a spade and therefore now, in the next few years, perhaps in the next 10 years or 15 years of activity, - he is already about 66 or 67 years of age - for the next 12 or 13 years, he can work and he has schemes and I am sure some of his schemes will come into fruition and he will leave an everlasting legacy for the future, a spirit of adventure that it can achieve in the course of forty, fifty years and I am sure some of his efforts will be crowned with success.

He, essentially I mean today, it is a fine thing - he will become a sort of a preacher, a teacher. He wants to train people. He

does not want to organize anything big on a commercial scale or on an industrial scale. He does not want to become like a Birla or a Tata. That means he wants to inculcate the spirit of engineering, the spirit of adventure, the spirit of research and the application of knowledge into industrial factors. In all these he is full of enthusiasm, but ofcourse, there is no outlet for him in India to-day and anyway according to his own version, he is not hunting after money. He has no more use for money. His son is all right. He is already an youngman, standing on his own feet. He doesn't worry about anything else. He does not want to leave any rich heritage for his successors, but he wants to train up a number of young people in all the workshops. All the things he has shown me this morning. Nearly three hours in the morning, nearly 3½ hours, and in the afternoon 1½ hours I let myself completely at his disposal. Thirtieth till 7 O' clock in the evening from 9 a. m. to 7 p. m. I am to be and that is my contract also with him, that I must be completely at his disposal, go through all his workshops, all his gardens, and all his researches, research works, and things like that. I am not a scientist at all. I don't know driving at all. I don't know to repair a car myself. Even if it has gone wrong, I am prepared

to wait on the road even for two hours, instead of lifting the bonnet of the car. That is my attitude generally. Though I was a Transport Minister for four years and though I was owning a car for a number of years I have never touched the wheels and I have never lifted the bonnet myself. If it goes wrong, it goes wrong. Somebody else must make it all right. That is my spirit. I don't want others also to be of that spirit. After all some are trained mechanics. Even at the age of ten some people begin repairing watches, some people begin repairing some machines and some automobile and things like that. Somehow I have never taken to this mechanical business and engineering. So all that he was trying to explain to me was Greek and Latin to me. I don't know except here and there some parts in the cars, I don't know anything, in automobile engineering, but anyhow I went through them, because of my contract with him. Any how he made his fortune in automobile engineering, he has prepared a number of technicians, perhaps they have started their own servicing, workshops and things like that and I am sure, they have all been benefitted by their training here and they are standing on their feet. Perhaps they are also handling many machines and I wish them well.

But in spite of all that he has become a sort of a preacher and teacher. Once, years ago, I asked him why he does not join Congress. He said "I don't agree with your industrial policy, I don't agree with your charka policy". Then Gandhji was alive. "When I don't believe in charka policy, how can I join the Congress", he said.

I appreciated the sincerity of the man. He was speaking in a big way. He wanted the whole country to be industrialized and so many of our people to be given employment and unless we do that I mean he used to call it a bullock cart mentality, the charka mentality, and I mean our country will not be on the right path. That is the sincerity with which he was convinced of the policy and he never agreed with the policy of the Congress as it stood then and today he is all faith for the Congress. In spite of his limitations, drawbacks, he thinks that the Congress Govt. is going on the right path in trying to industrialize the country and therefore Mr. Naidu never joined any political party. He is essentially an individualist. He believed in inculcating the right knowledge, not only the knowledge we get in high schools and colleges, – he thought it was all useless and it does not train people any way to do any

work with their fingers and it is all white collared jobs – the education is preparing them for white collared jobs.

But ofcourse a ton of theory is not worth an ounce of practical output. He has been thinking about all these things, experimenting ofcourse, preaching about and talking about it to many young students. But I still appreciate as a Revenue Minister, someone who has organized a big industry, pays a lot of Central Excise, pays a lot of Income Tax. Well that sort of man I appreciate.

If a man pays a lakh of rupees as Central Excise for sugar, cement or steel, whatever it is I appreciate him. I think he is the patron of my department or if he pays income tax of lakhs and crores – there are people in Bombay and Calcutta – I certainly honour the man. If there are black sheep they must be caught and they must be punished. But if a man is trying to organize a big industry, giving employment to a large number of people and if he is paying lakhs and crores of rupees as income tax and Central Excise to the Government, certainly he is one of the honoured citizens of the country and he must be given due respect in the community.

Of course slowly we are depriving all the rich people as though they are black sheep, but every time whenever we want to do anything we get from them for expenses and things like that, but it has become a fashion now to deprive all people, all zamindars, all capitalists, as though they are all anti-national, and anti-social. But I don't believe in that philosophy.

I honour people who have organized industry who have gone through the thrill, who have gone to the fire as it were and they have now organized industries and then they have given employment to thousands and lakhs of people. It is certainly a big thing to organize an industry and give employment to large number of educated people or untrained people or trained people and a number of technicians are gathered and certainly they must be given due recognition in the society. I mean, I don't agree with the philosophy of maligning everybody in the society, because he is a big man. I have no fear complex or any inferiority complex standing by the rich people or a millionere, because they are really doing some national service having organized big industries. But as I said, my own idea is such, Naidugaru ought to have organized some big industry, he ought to have paid a large amount of

Central Excise duty, a large amount of income tax and he ought to have imported a large number of machinery and paid customs duty and all that. But it is all I mean he could have done, he showed a big promise, but to-day he has become a preacher. He has not fulfilled all his schemes. Yet I am sure in the next few years, let me hope, because he is free from all his troubles and tribulations with the income tax he will be able to sit down quietly, organize something big and give me a big revenue and after all I guage a man by the revenue he gives me, I mean my department. After all our revenue is at the beck and call of all the spending departments. Unless we get money into our coffers, we can't make it available to our spending departments. All our huge big schemes in Electricity, irrigation, industrialization, transport and railway require money and our money should come either through our own revenues or through internal borrowings or from external assistance for the time being, which we can repay when they are all our own.

Therefore Naidu Garu must stabilize himself. He has been floating in the air so far and now he must come down on the solid ground and try to organize a big industry, train a large number of people

certainly and again make a lot of money and make me also his lions share, lions partner in his adventure, because after all in every industry to-day the lions share is taken away by the Government either in the from of central excise or as income tax. It ought to be.

In spite of income tax, though ofcourse Mr. Naidu in one context said that the income tax department is bombarding or bombing every adventure or every spirit of adventure, I am sure the public here in spite of this so called heavy taxation personal and corporate taxation in our country industry is making great progress and to-day, in the last 8 or 9 years our industrial production has gone up by 51%. In 1951 it was 100. In 1959 or so, it come upto 151. While our agricultural production has gone up by 31% our industrial production has gone up by 51% and our mineral production, I mean our geolocal mineral resourses have gone up by only 25%. I mean these are all facts. We have really made great progress and our future also will depend upon the way in which we industrialize our country in the next few years and by the end of the second five year plan our own idea, our own Prime Minister's ambition, these will attain a self generating economy.

After all it must multiply itself as for Mr. Naidu, during the last 40 years one bus has become two buses, two buses have become five buses, five buses have become ten buses, fifteen buses and it went on to 280 buses. I mean it becomes a sort of a self generating tool. Once it starts it propels itself and therefore our economy also to-day – I mean, till now had been a backward economy, underdeveloped economy, there is no doubt about it. Compared to that of other foreign advanced countries, our country is certainly a backward country and the way in which we appear to progress industrially and give her the confidence that by the end of the third five year plan, say about 1966–67 we will have a self generating economy.

Our economy will depend upon its own strength and its own vitality. I mean we may be importing some machines from abroad, but in most essential things, we will be manufacturing our own machinery here. We will build up machines which will build up machines and all our machines, all our big textile, spinning, sugar and all machines for most of the things we will be manufacturing our own machines and our economy will attain that stage of self sustenance and self generation and that is the ambition with which we have to

work and in the few years, in the First Plan and the Second Plan though many things appeared most congenial, the foreign exchange position as at now was very critical. Many bottle necks were there. Transport bottle neck was there. The shortage of well trained mechanics, the shortage of materials, shortage of spinning, shortage of steel and all that.

In spite of all these difficulties, we have really made some good progress, in the last 8 – 9 years and income tax did not stand in the way and as I said in the Parliament the other day in the last five, or six years, our income tax department has collected 50% more. It was 160 crores of rupees in 1954 or so and last year we collected 241 crores in income tax. I mean in corporation tax and other things and really in the last six – seven years it has increased in receipts by 50% and it is again an index of our prosperity, the earning capacity of our industry and they are earning and they are paying to the income tax. Likewise in Central Excise also, it is going up, galloping as though – a few years ago about 10 or 8 years ago it was 91 crores of rupees and last year we collected 361 crores or so and this year we are aiming at 386 crores of rupees. Last year again I gave this table to some of my

officers, a crore a day but to-day, I can easily tell them a crore and twentyfive lakhs a day. I mean that is how, the Central Excise Department is functioning and the more the production, the more the Central Excise Revenue. The more the production of sugar, the more the production of cement, the steel and some of the cycle parts, now the cinema industry is also going to give for the first time to the Central Excise and of all these we are aiming at 386 crores of rupees under the Central Excise alone.

These are all signs of our prosperity, industrial production. The greater the production, the greater the Central Excise and then the greater the profit and the greater the income tax. We have to aim with an accelerated faith at our industrialization and the Third Five Year Plan is going to be a very momentous thing. In the first Five Year Plan we spent 2000 crores of rupees. In the second about 4500 crores of rupees, and in the third we are going to spend about 10,000 crores of rupees, with the private sector also coming in, a lot of money is going to be invested into our industry. Then we will have to accumulate savings and savings must go into investments and investments must yield results and thus our country can become

more prosperous and after all our aim is that. Every man must be given employment. Everyone more than anything else, every educated man atleast, and every technical man atleast must be given full employment. We are unable to do it now. There are now many hundreds and thousands of unemployed people, it is really a curse on the country's economy and then if we give them full employment, certainly it is a great sign of progress and a great sign of vitality and so we are now living in a great thrilling time. Now we are trying, consolidating on our own Swaraj, on our own independence and now in the last 12 years we are now making steady progress in various directions, but our progress must be accelerated hereafter in in the next 10 years, 15 years and attain a sort of sufficiency in industrialization in the next few years.

With regard to our Defence Production also, our Defence Minister is taking keen interest and that Production also has mounted up very rapidly in the last 3 or 4 years. Previously the Defence Ministry was importing all the machines, and all the goods from abroad and trying to defend our borders, the frontiers of our country. But today the time has come when we will have to think in terms of

producing our own ammunition, our own machines, our own trucks, our own jeeps, or any other thing which is required for the defence of our own country. I am glad that Mr. Krishna Menon, our Defence Minister is taking more than usual interest in defence production and I hope the defence production will mount up in the next few years.

Thus there are so many things to be done in our country. Just now, we are at only 10 miles of our journey, still there are 90 miles of our journey to be traversed and with the help of many people, many big industrialists, many machineries, and with the help of many people of adventure we will be able to achieve this.

In the meanwhile, of course, people have to undergo some sacrifices in the form of paying taxes. It is true some of our taxes are high. The Income-tax is very high, the personal income tax goes, I mean theoritically upto 85%, but in spite of all that I am sure this is a period of sacrifices indeed and people are prepared to make the sacrifices, they are prepared to pay some of these taxes, both local and Central, because they know that their money if spent back for the benefit of the people.

People are thirsty for greater amenities and measure, – they want more amenities. They want X'Rays in every hospital, they want radios in every village, they want electricity in every village. Like that our own requests are mounting up, and the Government also is closely following people's aspirations and trying to achieve what is being required by the people. After all that is how the people are ahead of the Government, the people have advanced asking for demands, asking for more and more amenities and the Government are also trying to accomplish them trying behind the peoples ambitions.

Therefore in a way Mr. Naidu must be very happy now. He was preaching industrialization 20 years ago, 25 years ago and now he is seeing for himself. The other day he went to Bakra Nangal. He was full of joy. He went to Ludhiana to see the Small Scale Industries and he was all praise for the Punjabis, who have organized all the Small Scale Industries in Jullendur and Ludhiana. He is inviting all the members to-day, some small scale industries people to come and have some conference and see that in other parts of India also we could start such small scale industries. So I mean after all he is now seeing some small accomplish-

ment, something being accomplished, the fulfilment of our planning, because he was a member of the Planning long time ago.

Though, of course, now he is asking for the scrapping of the planning commission, he was a member of the Congress Planning Commission presided over by Pundit Jawaharlal Nehru. I think he was the member of the transport section of the Planning Commission, organized by Subash Chandra Bose and presided over by Jawaharlal Nehru some years ago, perhaps during the war or so. He is now seeing that the country is going on the right path, the small scale industries, the heavy industries, the steel factories, the Bakra Nangal and the power projects are all coming now and the latest requirement is the power. Wherever we go now, in every state, wherever envisaged by the engineers, the full potent capacity of the generating set is being utilized by the industrialists and every where because there is lack of power, industry is being retarded and therefore the first and essential requirement of our industrialization is generation of power.

In Bihar, in Uttara Pradesh, in the Punjab, in Madras, Mysore, Andhra, every where there is shortage of power. Unless

all our power projects are accomplished and with the atomic energy also they are going to generate power, our experimenting in Trombay and other places also will ultimately lead to greater generation of power and all that must be utilized for industrialization. Ofcourse it makes me feel that our agricultural production must be increased, before we actually become constructors to many things.

Just now it is unfortunate that though our country is an agricultural country, we are still importing huge quantities of rice and an average of 560 crores of rupees are being spent on this food import. It is really a shame that our country should be thinking in terms of importing food grains, rice and wheat. Our country with all the water resources we have, with the rivers going to waste, the Ganges, the Godavary, the Krishna, we must be able to husband these natural resources and make our country agriculturally also self sufficient. So on one side the development of agricuulture, on the other side the development of heavy industries, they all go a long way in making our country self reliant in the next 5 or 6 years. Therefore Mr. Naidu's visions, dreams are being realized one by one and he must be happy on that account.

The very fact that he has no more quarrels with the income tax department is a good thing and he is having the Commissioner of Income tax to his left and Collector of Customs to his right, while he kept me on this place in front. That is very good. It is a good indication that he has no quarrel with the Income tax department or Customs department and everything will be well. After all the Income tax officers are not devils. There are merely revenue people. They are also trained in our colleges, they are also our kith and kin. They may be our brothers-in-law, they may be our nephews, they may be our brothers, they are after all a part of us and they are doing a very unpleasant work, a very difficult work, indeed because unlike the Central Excise and the Customs where they collect dues on the spot, they have to look into the account 3 years hence, 4 years hence, and they will not know what was happening these three or four years about your accounts, the way in which you have invested money, the way in which you have drawn money, the way in which you have paid interest, the way in which you have bungled up your expenditure, all these things are there, and the incometax department is certainly doing a very unpleasant work, very technical work, and I must say, that Mr.

Naidu himself has given the testimony that all the young officers today are very honest, they are doing their work very very well indeed in both the departments (Cheers) and they are not following the examples of their predecessors.

I do not know how they were behaving. I do not know it myself, because I am also new to the department, I am only connected with this department for the last two years. Anyway he has himself given the testimony. He knows all the secrets, the ins and outs of the tax evaders and the tax collectors and all that (laugher) and he himself has given the testimony that all the officers are doing their duty in an honest manner, in a conscientious manner and it is really a good thing that the department has earned that certificate from a person like Mr. Naidu. Mr. Naidu though he looks like a very fragile man, very unostentatious man, a simple man, somehow people in Delhi, most specially in the Central Government and in other Commerce and Industries departments, they think he is a very ferocious man with big mustache (laughter) and like that, or somebody like Yama in Cinema. They think G. D. Naidu means somebody, a terrible man, some ferocious man.

The other day I introduced him to Mr. Krishnamurthi, Chairman of the Central Board of Revenue. He had a long talk with him for one hour about his old troubles, how he was fighting with the departments and how he wants to turn a new leaf in his life. So for one hour he had a talk with him. Mr. Krishnamurthi came and said "Sir, I used to think that G. D. Naidu means such a ferocious man. He looks a very simple man! A good man! A frank man! A kind man! and I never thought that Mr. G. D. Naidu is such a nice gentleman" and all that. I mean that is the impression he has created because of his fighting. He was hammering his Oldsmobile car. (Laughter)

He was trying to burn libraries. Construction before Destruction and Destruction before construction. (Laughter) He has given such an impression or atleast all those who were not coming in direct contact with him - they used to feel he was a terrible man, a terrible black-marketeer, a terrible tax-evader and he must be a terrible man, who is after money. I mean that is the impression that some of them have got, because they don't know the ins and outs of the man, of the man's personality and all that. They think here is a big black-marketeer, who is trying to make money and who is amassing a lot of

wealth. After all we know people who have come in personal contact with him, we know that he is not after money. He is after something else. The whole idea of his life is different and of how the community should be developed also, his view is different. The people who do not know him they feel that way.

If any of his licences are refused, it is because of that complex. Just imagine, he made a generous offer for all the municipalities in his own district and to the District Boards. Why did they refuse? A 17 lakhs worth of estate I mean industry big industry, flourishing industry, growing industry, he gave it repeatedly to the District Board and the Coimbatore Municipality and all of them knew him. But some how they were wondering "Why should G. D. Naidu give up all his assets, 17 lakhs?. There must be something upto his sleeves. Therefore let us not go anywhere near him." (Laughter).

Otherwise how can you account for it? He extended his usual offer to all of them. They all rejected except Dharapuram Municipality. Perhaps they accepted it under my pressure because I as a Minister compelled them to accept. All of them, they somehow thought "G. D. Naidu is giving

up 17 lakhs worth of motors and his wealth. What does it mean? What does he want? What are the strings that are seen". All that they were trying to examine and they just did not want to commit themselves and hence were repeatedly rejecting the offer.

Likewise, later on, he too came into that rejecting mood. Some people came and offered him 2 lakhs and 3 lakhs and such sums for other technical subjects he rejected those offers. His offers were rejected by certain people and he also rejected other people's offers. Thus there was little suspicion, I think. Certainly when an industrialist tries to be clever to the Income tax Officer, when he tries to hide his money and tries to hush up his accounts, and things he will certainly be in constant trouble. Ultimately he will be caught. It is only a question of time. He may hide it for three years or he may hide it for four years. Ultimately he will be caught and I am sure he will regret, he will be penalized, his property will be attached and he won't be able to make any progress at all. He won't be able to leave any big money to his own successors or he won't be able to do anything big industrially. Therefore after all honesty pays in this matter. Let them be honest, let them pay all the taxes and let them get

all the licences so needed and let them industrialize. If they want to be clever, one day or other they will soon get into soup and they have to be regretting because they have been trying to be very clever.

Anyway Mr. Naidu has given numerous examples and he is a lesson an object from which we can draw many lessons. Certainly young people around him can draw great many lessons from his own experience and all these 10 years he was fighting the Income Tax department for justice. Many people congratulated him. But what is the net result? He had to sign an agreement ultimately he was forced perhaps by circumstances. He might say now that he signed in a weaker moment, but weak or strong, we do not know. He signed and he paid a fair amount according to the stipulated terms and now he is free, atleast his mind is free. Never mind the amount of money he has paid to the department. It doesn't matter whether the Commissioner or the Income-Tax Officer accepted all his contentions.

But to-day he feels free, he feels that he can do something now, that he is free from all these difficulties. He has wasted 10 years of useful life, precious life in fighting a battle – it does not matter whether he won

or lost his battle, - any way I feel that 10 years of his precious life was wasted. He could have done something very useful and something very substantial. Therefore these are the lessons.

That again is the lesson I want Mr. Naidu himself to draw. He has wasted 10 years. He has gained nothing, he has fought perhaps a good deal with the commerce and industry ministry or the Central Board of Revenue. Now he has to rehabilitate himself and get all the licences. I am sure they know that here is a man who can be dealt with in a straight forward manner and all the licences he wants will certainly be given to him. The Commerce and Industry Ministry also is anxious that our country should be industrialized and there is no reason why a man like G. D. Naidu should not get his licences as asked for. Mr. Naidu must certainly get all the licences and he must be able to achieve something big, something substantial and I mean certainly we all behold to Mr. Naidu.

As I said in the beginning though he may have many drawbacks, with all his drawbacks, with all his scrapes, that he has been able to achieve in the last forty years? What are the lessons that we

have to draw from his life? All these things must be done with an objective manner and I wish some author would study his character and his personality and get all the information from him and collect the essential portions and write a good biography of Mr. Naidu. I mean his name is known even in North India, in industrial circles. People may not have come to Coimbatore, may not have seen him personally, but somehow they have heard of him and they all appreciate his work and anybody that goes through his workshop is greatly impressed by his schemes, by his own visions and by his own actions, and I want all of his aims to be fulfilled in his own life time.

After all life is there not as much as we want. It is limited. Within the limited time we must be able to achieve something and therefore Mr. Naidu has done some experiments in agriculture, he has done some experiments in Ayurvedic medicines and he is known as Doctor in medicine Doctor in agriculture, Doctor in machines in other countries and that way he has earned reputation in various spheres and I wish him certainly a very useful achievement, more than promise. So instead of promising many things - he may have special reasons - but an ounce of accom-

plishment, fulfilment is certainly greater than a ton of theory. We are beholding to Mr. Naidu for inviting us for a very pleasant visit to his own workshop and telling us all about himself the industries, his aim and works as well as about some of his impressions and his views for full fiftynine minutes. We are all thankful to him and I wish him Godspeed in all his endeavours and now that he is free from all his revenue troubles, I want him to achieve something more and I repeat once again that we want, we expect more, we have a right to expect more from him and God will bless him fortune will favour him, and therefore we can demand something substantial from him.

Thank you. (Cheers).

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